

RESOLUTION NO. 2011-10

A RESOLUTION OF THE VILLAGE COUNCIL OF THE VILLAGE OF KEY BISCAYNE, FLORIDA, SELECTING BANK PROPOSAL FOR THE PURCHASE OF THE STORMWATER UTILITY REVENUE REFUNDING BONDS OF THE VILLAGE; AUTHORIZING THE VILLAGE MANAGER AND OTHERS TO NEGOTIATE FINAL TERMS AND PREPARE DOCUMENTS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Village of Key Biscayne, Florida (the “Village”) recently sought proposals through a competitive bidding process for the purchase of Stormwater Utility Revenue Refunding Bonds (the “Bonds”) of the Village, in an aggregate principal amount not to exceed \$4,505,000, for the purpose of refunding the Village’s \$7,200,000 Stormwater Utility Revenue Bonds, Series 1999; and

WHEREAS, after careful review of the competitive bids submitted, the Village wishes to select the proposal by Pinnacle Public Finance (the “Bank”) to purchase the Bonds; and

WHEREAS, the Village Council finds that this Resolution is in the best interest and welfare of the residents of the Village.

NOW, THEREFORE, BE IT RESOLVED BY THE VILLAGE COUNCIL OF THE VILLAGE OF KEY BISCAYNE, FLORIDA, AS FOLLOWS:

Section 1. Recitals Adopted. Each of the above stated recitals are hereby adopted, confirmed and incorporated herein.

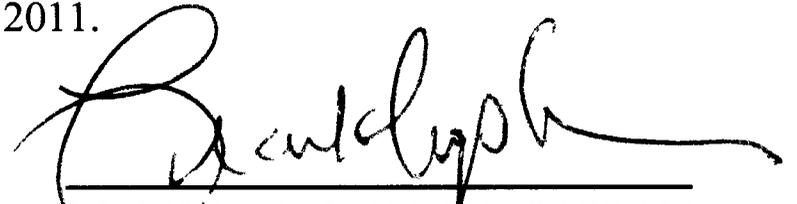
Section 2. Selection of Bank. The Village Council hereby selects the proposal of the Bank to purchase the bonds, a copy of which is attached as Exhibit “A” to this Resolution. If the Village and the Bank cannot negotiate a successful agreement, the Village Manager shall terminate any negotiations with the Bank and begin negotiations with the next highest ranked bidder (the

“Alternate Bank”).

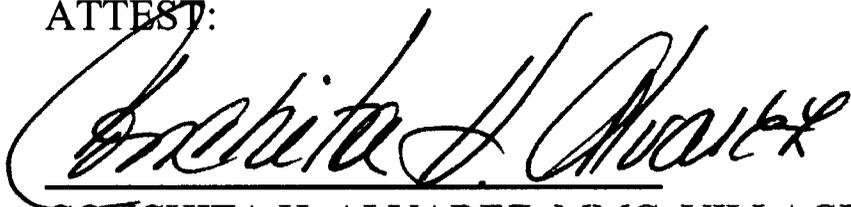
Section 3. Village Manager and Others Authorized. The Village Manager is hereby authorized to negotiate with the Bank (and the Alternate Bank, if necessary) the final terms of the Bonds consistent with the proposal attached as Exhibit “A”. The Village Attorney and Bond Counsel to the Village are hereby authorized to draft documents and to do all other things necessary to accomplish the issuance and sale of the Bonds.

Section 4. Effective Date. This Resolution shall be effective immediately upon adoption.

PASSED AND ADOPTED this 24th day of May, 2011.


MAYOR FRANKLIN H. CAPLAN

ATTEST:



CONCHITA H. ALVAREZ, MMC, VILLAGE CLERK

APPROVED AS TO FORM AND LEGAL SUFFICIENCY


VILLAGE ATTORNEY



EXHIBIT "A"



May 18, 2011

VIA Electronic Mail

Lourdes Reyes Abadin
Estrada Hinojosa & Company, Inc.
2937 SW 27th Avenue, Suite 200B
Miami, FL 33133

RE: Refinancing Stormwater Utility Refunding Bonds, Series 1999

Dear Ms. Abadin;

Pinnacle Public Finance, a BankUnited Company, is pleased to respond to your client's financing request.

Corporate Overview: Pinnacle Public Finance, a BankUnited company, is a market leader in providing tax-exempt financing directly to its state and local government clients and through its vendor programs and alliances. We are a full-service municipal finance organization with origination, underwriting, servicing, and syndication capabilities.

With more than \$6 billion in financing and transactional experience in every state in the U.S., our team has the knowledge and the resources to structure complex programs that require innovative, flexible financing solutions.

In October 2010, BankUnited acquired the municipal finance business from Koch Financial and now operate under the name Pinnacle Public Finance.

Our proposed terms and conditions are as follows:

PPF:	Pinnacle Public Finance, Inc. ("PPF")
Lessee:	Village of Key Biscayne ("Village")
Issue Type:	Tax-Exempt Note
Amount Financed:	\$4,505,000.000
Security:	Pledge of Stormwaster Utility Fees and all legally available funds sufficient to pay the principal and interest due on the Note.
Maturity:	October 2019
Interest Rate:	2.39% (Interest rate is held firm until July 18, 2011, subject to initial Council award on May 24, 2011)

Projected

Funding Date: On or before July 18, 2011

Credit Approval

Process: Upon receipt of a completed Credit Application (see attached) and the Village's last three years audited financials statements and most recent approved budget, Pinnacle Public Finance will begin the credit review process. Final credit approval is typically completed within 5 to 10 business days.

Prepayment Terms: On any payment date with no prepayment penalty on or after October 1, 2014.

Fees/Closing Costs: None other than those listed herein, however the Village will be responsible for any fees or expenses with respect to their (i) issuing costs, if any, and (ii) Village's legal/bond counsel, if any. PPF is willing to finance any of the Village's expenses related to closing the transaction.

Documentation: It is anticipated that the transaction will be documented by the Village's legal counsel Weiss Serota at the Village's expense.

This proposal is subject to final credit approval and final documentation. Please feel free to call me at **480-419-3634** with any questions or further clarification.

Thank you for the opportunity to present this proposal.

Sincerely,



Bruce Block
Vice President - Syndication & Direct Markets

Amortization Schedule

Totals:		\$5,005,549.98	\$500,549.98	\$4,505,000.00	Rate 2.3900%	
Pmt #	Payment Date	Payment Amount	Interest	Principal	Purchase Price	Outstanding Balance
	7/18/2011					\$4,505,000.00
1	10/1/2011	\$241,832.98	\$21,832.98	\$220,000.00	--	\$4,285,000.00
2	4/1/2012	\$51,205.75	\$51,205.75	\$0.00	--	\$4,285,000.00
3	10/1/2012	\$526,205.75	\$51,205.75	\$475,000.00	--	\$3,810,000.00
4	4/1/2013	\$45,529.50	\$45,529.50	\$0.00	--	\$3,810,000.00
5	10/1/2013	\$535,529.50	\$45,529.50	\$490,000.00	--	\$3,320,000.00
6	4/1/2014	\$39,674.00	\$39,674.00	\$0.00	--	\$3,320,000.00
7	10/1/2014	\$549,674.00	\$39,674.00	\$510,000.00	\$2,810,000.00	\$2,810,000.00
8	4/1/2015	\$33,579.50	\$33,579.50	\$0.00	\$2,810,000.00	\$2,810,000.00
9	10/1/2015	\$558,579.50	\$33,579.50	\$525,000.00	\$2,285,000.00	\$2,285,000.00
10	4/1/2016	\$27,305.75	\$27,305.75	\$0.00	\$2,285,000.00	\$2,285,000.00
11	10/1/2016	\$572,305.75	\$27,305.75	\$545,000.00	\$1,740,000.00	\$1,740,000.00
12	4/1/2017	\$20,793.00	\$20,793.00	\$0.00	\$1,740,000.00	\$1,740,000.00
13	10/1/2017	\$580,793.00	\$20,793.00	\$560,000.00	\$1,180,000.00	\$1,180,000.00
14	4/1/2018	\$14,101.00	\$14,101.00	\$0.00	\$1,180,000.00	\$1,180,000.00
15	10/1/2018	\$594,101.00	\$14,101.00	\$580,000.00	\$600,000.00	\$600,000.00
16	4/1/2019	\$7,170.00	\$7,170.00	\$0.00	\$600,000.00	\$600,000.00
17	10/1/2019	\$607,170.00	\$7,170.00	\$600,000.00	\$0.00	\$0.00

Key Biscayne
Stormwater Refinancing
Bank Qualified RFP Evaluation
18-May-11

Par Amount= \$4,505,000.00
Maturity Date= October 1, 2019

Bank	No Rate Lock	Rate Lock starting 5/25	Rate Lock thru closing	Late Pmt Penalty	Prepayment Penalty	Fees & Expenses	Additional Coniditions
Bank of America			2.39%		Make whole provision	\$ -	Current docs and amort sched/Int on bonds computed on 365or366 day yr
BB&T	2.2% - (69% 7 Yr LIBOR +34 b.p.)	2.27%		Int Rate + 2%	1% on sched payment date	\$ 4,000	
Chase		<u>2.25%</u> 2.33%		Base Rate + 4%	Breakage Cost No breakage fee on or aft 10/2015	\$ 5,500	1.25x MADS Rate Lock Exhibit Provided
Northern Trust			3.00%		5% on Initial 2 years	\$ 5,000	Underwriting & Approval Process 3 wks
Pinnacle Public Finance			2.39%	Int at 12% or max legal amt	No Penalty on or after Oct. 1, 2014	\$ -	Final credit approval required
Sun Trust	<u>2.49%</u> 2.64%		<u>2.57%</u> 2.72%		Make Whole No breakage fee or after Oct. 1, 2014	\$ 4,500	1.25x MADS bank needs to complete due diligence
TD Bank	2.69%		2.85%	6.00%	Yield Maintenance Fee	\$ 3,000	Maintain Depository Relationship/ Only Stormwater fee req as security